

MONARCH ENERGY LIMITED



Suite 520 - 65 Queen Street West
Toronto, Ontario
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TSX-V Trading Symbol: MNL

May 26, 2014

For Immediate Release

MONARCH ENERGY UPDATES SHAREHOLDERS ON TRANSACTION WITH CHROMEDX AND LISTING ON CANADIAN SECURITIES EXCHANGE

Monarch Energy Limited (“**Monarch**” or the “**Company**”) is pleased to announce that it has received conditional approval to list its common shares (the “**Listing**”) on the Canadian Securities Exchange (the “**CSE**”), and intends to voluntarily delist its common shares from the TSX Venture Exchange (the “**TSXV**”). To ensure continued and seamless trading for the Company’s shareholders, the Company’s common shares are expected to be delisted from the TSXV immediately after the commencement of trading on the CSE.

The Listing is subject to, among other conditions of the CSE, meeting the conditions necessary to complete the acquisition (the “**Acquisition**”) of ChroMedX Ltd. (“**ChroMedX**”) pursuant to the terms of the share exchange agreement (as amended on January 22, 2014, April 16, 2014 and May 6, 2014) (the “**Share Exchange Agreement**”), which includes a private placement financing in the minimum aggregate amount of \$400,000 for units of ChroMedX (“**ChroMedX Units**”) at a price of \$0.10 per ChroMedX Unit. Each ChroMedX Unit will entitle the holder to: (i) one ChroMedX common share; (ii) one-half common share purchase warrant, each whole warrant entitling the holder to acquire one ChroMedX common share at an exercise price of CDN\$0.15 for a period of twelve (12) months following issuance of the warrant; and (iii) one-half common share purchase warrant, each whole warrant entitling the holder to acquire one ChroMedX common share at an exercise price of CDN\$0.25 for a period of twenty-four (24) months following issuance of the warrant. The ChroMedX common shares, and any common shares to be issued on exercise of the warrants, will be subject to a four month hold period commencing from the date of issuance.

Further, pursuant to the terms of the Share Exchange Agreement, concurrent with or prior to completion of the Acquisition, the Company will consolidate its common shares on a 20 for 1 basis as previously approved by the Company shareholders at the annual general and special meeting held on July 18, 2013 (the “**Consolidation**”), such that following completion of the Acquisition the Company will have issued a maximum of up to 31,500,100 common shares in the capital of the Company to ChroMedX shareholders for all of the issued and outstanding common shares of ChroMedX. This will result in former ChroMedX shareholders holding approximately 82% of the issued and outstanding common shares of the Company and, ChroMedX becoming a wholly-owned subsidiary of the Company following completion of the Acquisition.

The completion of the Acquisition is conditional upon, among other things, the receipt of all necessary TSXV, CSE and shareholder approvals, the private placement in ChroMedX being completed, and satisfaction of the conditions in the Share Exchange Agreement being completed. In addition, it is anticipated that all outstanding stock options of the Company will be cancelled prior to or concurrent with completion of the Acquisition and Listing.

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward-looking Information Cautionary Statement

Except for statements of historic fact, this news release contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements such as references to the Company's de-listing from the TSXV, listing on the CSE, cancellation of current stock options of the Company, completion of the private placement, and completion of the conditions necessary to complete the Acquisition are based on the opinions and estimates at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking statements including, but not limited to delays or uncertainties with regulatory approvals, including that of the TSXV and the CSE. There are uncertainties inherent in forward-looking information, including factors beyond the Company's control. The Company undertakes no obligation to update forward-looking information if circumstances or management's estimates or opinions should change except as required by law. The reader is cautioned not to place undue reliance on forward-looking statements. Additional information identifying risks and uncertainties that could affect financial results is contained in the Company's filings with Canadian securities regulators, which filings are available at www.sedar.com